

TSUKAMOTO ANN

Form 4

June 03, 2011

**FORM 4****UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

Check this box  
if no longer  
subject to  
Section 16.  
Form 4 or  
Form 5  
obligations  
may continue.  
See Instruction  
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF  
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
30(h) of the Investment Company Act of 1940

## OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
TSUKAMOTO ANN

2. Issuer Name **and** Ticker or Trading  
Symbol  
STEMCELLS INC [STEM]

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

(Last) (First) (Middle)  
C/O STEMCELLS, INC., 3155  
PORTER DRIVE

3. Date of Earliest Transaction  
(Month/Day/Year)  
06/01/2011

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_\_\_\_X\_\_\_\_ Officer (give title \_\_\_\_ Other (specify  
below) below)  
EVP, Research and Development

(Street)

4. If Amendment, Date Original  
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
\_\_\_\_X\_\_\_\_ Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting  
Person

PALO ALTO, CA 94304

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of<br>Security<br>(Instr. 3) | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3. Transaction<br>Code<br>(Instr. 8) | 4. Securities Acquired (A)<br>or Disposed of (D)<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form:<br>Direct (D)<br>or Indirect<br>(I)<br>(Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|---------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------------------------------------------|
|                                       |                                         |                                                             | Code                                 | V                                                                       | Amount                                                                                                             | (A)<br>or<br>(D)                                                        | Price                                                             |
| Common<br>Stock                       | 06/01/2011                              |                                                             | F <sup>(1)</sup>                     |                                                                         | 108,919                                                                                                            | D                                                                       | \$<br>0.6579                                                      |
| Common<br>Stock                       |                                         |                                                             |                                      |                                                                         |                                                                                                                    |                                                                         | 22,834                                                            |
| Common<br>Stock                       |                                         |                                                             |                                      |                                                                         |                                                                                                                    |                                                                         | 54,866                                                            |
|                                       |                                         |                                                             |                                      |                                                                         |                                                                                                                    |                                                                         | family<br>trust <sup>(3)</sup>                                    |
|                                       |                                         |                                                             |                                      |                                                                         |                                                                                                                    |                                                                         | By 401(k)<br>Plan <sup>(4)</sup>                                  |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of  
information contained in this form are not  
required to respond unless the form  
displays a currently valid OMB control**

SEC 1474  
(9-02)

number.

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2. Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4. Transaction<br>Code<br>(Instr. 8) | 5. Number<br>of<br>Derivative<br>Securities<br>Acquired<br>(A) or<br>Disposed<br>of (D)<br>(Instr. 3,<br>4, and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7. Title and<br>Amount of<br>Underlying<br>Securities<br>(Instr. 3 and 4) | 8. Price of<br>Derivative<br>Security<br>(Instr. 5) | 9. Nu<br>Deriv<br>Secur<br>Bene<br>Own<br>Follo<br>Repor<br>Trans<br>(Instr |
|-----------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------------------------------|
|                                                     |                                                                    |                                         |                                                             | Code                                 | V (A) (D)                                                                                                          | Date<br>Exercisable                                            | Expiration<br>Date                                                        | Title                                               | Amount<br>or<br>Number<br>of<br>Shares                                      |

## Reporting Owners

| Reporting Owner Name / Address                                                   | Relationships                    |
|----------------------------------------------------------------------------------|----------------------------------|
|                                                                                  | Director 10% Owner Officer Other |
| TSUKAMOTO ANN<br>C/O STEMCELLS, INC.<br>3155 PORTER DRIVE<br>PALO ALTO, CA 94304 | EVP, Research and Development    |

## Signatures

/s/ Ken Stratton,  
attorney-in-fact 06/03/2011

\_\_Signature of Reporting Person Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) This is recorded as a Code F disposition because the shares were used by the reporting person to pay a tax liability incurred by her from the delivery of shares incident to the vesting of restricted stock units.
- (2) Includes (1) 466,666 restricted stock units, with 233,333 vesting on each of June 1, 2012 and June 1, 2013 and (2) 46,666 restricted stock units, with 23,333 vesting on each of May 15, 2012 and May 15, 2013.
- (3) 22,834 shares held in trust as to which Dr. Tsukamoto disclaims beneficial ownership.
- (4) Shares held in 401(k) account in accordance with issuer's employer-match policies.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.